

SALES TAX DETERMINATION:

1. This Project has been determined by the Kansas Department of Revenue to be subject to Kansas State Sales Tax. The cost of said tax must be INCLUDED in all Bid and Contract prices. Sales tax includes all applicable state, county and city sales tax.
2. A general contractor or other contractor who contracts directly with the State of Kansas or one of its agencies shall pay tax as follows:
 - a. Labor: No tax will be assessed since the labor is purchased directly by the State or one of its agencies.
 - b. Materials: Taxes will be assessed on material purchased for the project.
3. A subcontractor on this project shall pay tax as follows:
 - a. Labor: Taxes will be assessed because this labor is not being purchased directly by the state or one of its agencies. (However, labor will not be taxed on projects calling for the original construction of a building or for repair or remodeling of a residence.
 - b. Materials: Taxes will be assessed on materials purchased for the project.
4. Whether sales tax should be paid to the Department of Revenue by a subcontractor on the subcontractor's labor services will depend upon whether the project qualifies as the original construction of a building or facility or as the repair or remodeling of a residence. The contractor and each subcontractor will be responsible for determining whether labor services for the project qualifies for such exemption and for including the correct amount of state, county and city sales tax applicable to this project. Contractors and subcontractors must include all sales tax due on materials, which are not exempt on this project. Any questions should be addressed to the Kansas Department of Revenue, Division of Taxation, Taxpayer Assistance Center, (785) 296-0222.
5. A general contractor or other contractor that contracts directly with the State of Kansas shall obtain copies of the Kansas Retail Sales Tax Registration Certificates from all it's subcontractors on this project and have them available at the jobsite upon request.